

**Impact Fee Ordinance
Summary of Proposed Amendments
Substitute Ordinance October 8, 2002**

As a result of the September 18th public hearing and other suggested changes, the City has prepared and is forwarding a revised ordinance with the following changes for action by the Planning Commission on October 16th.

Proposed Amendment

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| 1. Amendment to divide into Seven Arterial Street Benefit Areas (27.82.070 "Impact Fee Funds") | Suggested by Kent Seacrest on behalf of Southview Inc., Ridge Development Co., Eiger Development, Don Linscott, and NEBCO Inc. and by the Realtors Association of Lincoln and others that there be more benefit areas |
| 2. Divide Water Impact Fee into two parts: Water System Fee and Water Distribution Fee. Amendment also includes a minor change to clarify that wastewater impact fees could be used to build improvements outside the city limits, which is sometimes necessary due to topography (27.82.070) | Suggested by Kent Seacrest, Realtors Association of Lincoln and others that there be more benefit areas |
| 3. Amendment to divide Water Distribution Fee into Seven Water Distribution Benefit Areas (27.82.070) | Suggested by Kent Seacrest, Realtors Association of Lincoln and others that there be more benefit areas |
| 4. Amendment to divide Neighborhood Park & Trail Impact Fee to Seven Neighborhood Park and Trail Benefit Areas (27.82.070) | Based on suggestion by Kent Seacrest, Realtors Association of Lincoln and others that there be more benefit areas |
| 5. Amend Neighborhood Park & Trail fee map to exclude existing neighborhoods with sufficient parks & trails so that fee is not collected in these areas (27.82.070) | Based on suggestion by Kent Seacrest |
| 6. Change time period for City to use impact fee funds before refund from 10 to 8 years and give up to 6 months for application of refund (27.82.080 "Refunds of Impact Fees Paid") | Suggested by Kent Seacrest |
| 7. Change to allow other funds, such as wheel tax, utility rates, to repay developer who makes eligible improvements. (27.82.090 "Post Ordinance Developer Agreements") | Suggested by Kent Seacrest |
| 8. Change 'Discretion to Reduce Impact Fees' in order to "promote economic development of the City or the public, health, safety and general welfare" to action by Mayor based on criteria set by City Council. (27.82.110 "Miscellaneous Provisions") | Based on suggestion by Kent Seacrest |

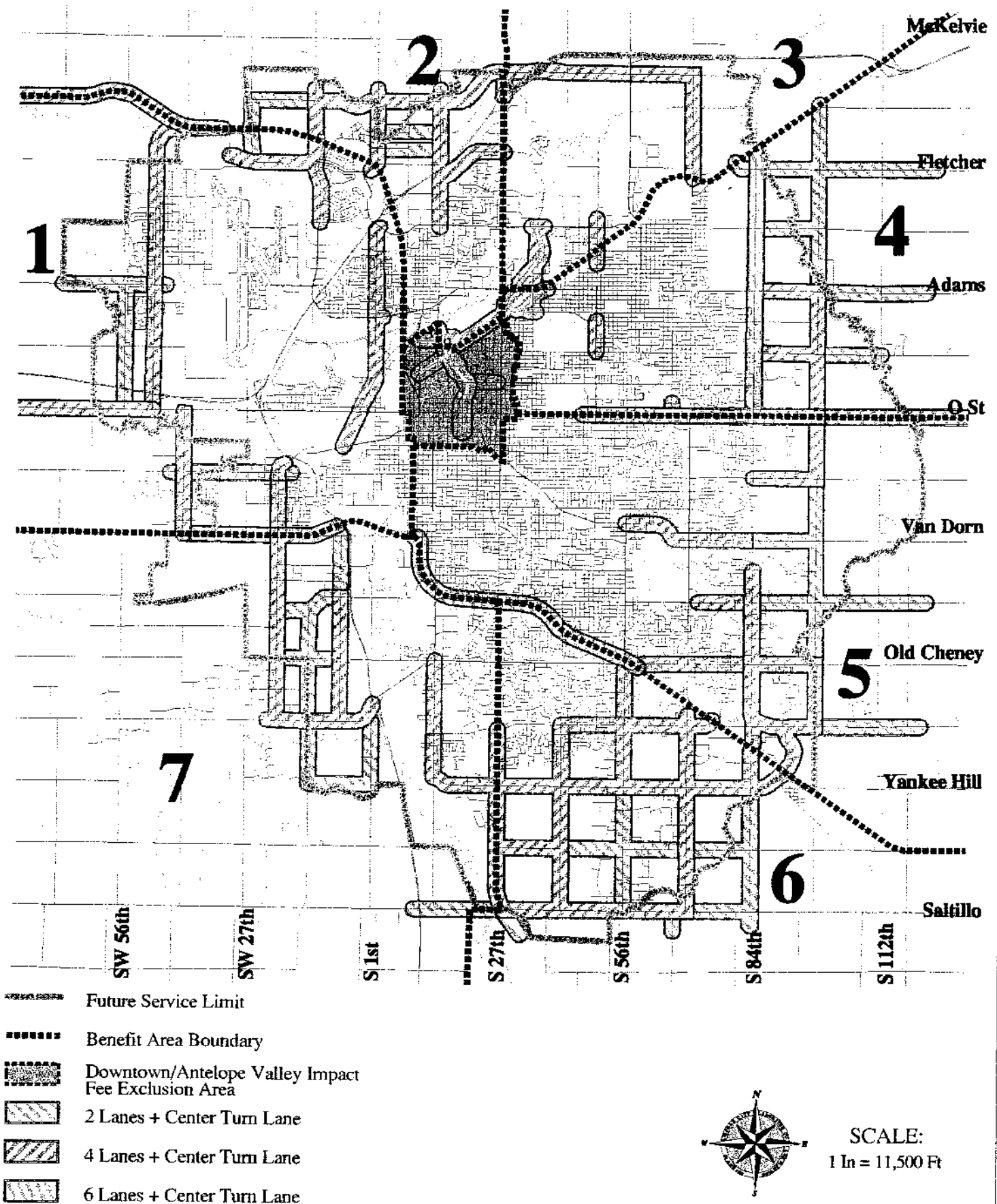
Proposed Amendment

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| 9. Minor changes in 27.82.020 "Legislative Findings and Purpose" and 27.82.030 "Intent" to clarify ordinance intent and recognize previous annexation agreements | Suggested by various persons. Clarifies that upgrades in water meter size due to fire protection systems will not be charged an impact fee |
| 10. Add definition of cost of construction, encumber, fee payer, low and moderate income areas and clarify other definitions. (27.82.040 "Definitions") | Suggestions by Realtors Association of Lincoln, Kent Seacrest and others. |
| 11. Amend exemptions section to add a table listing qualifying annexation agreements; clarify fire protection exemption; and provide for application of low income exemption up to 30 days after occupancy permit (27.82.060 "Exemptions") | Suggestions by Realtors Association of Lincoln, Kent Seacrest and others. |
| 12. Clarify in Section 27.82.090 "Post Ordinance Developer Agreements" and 27.82.100 "Developer Reimbursement" that land dedicated for parks, water and wastewater facilities is eligible | Clarification suggested by Kent Seacrest |
| 13. Correct 27.82.110 "Miscellaneous Provisions" to note that inflation will be factored beginning in January 2004 as noted in the impact fee proposal | Correction noted by city staff. |

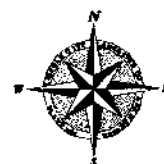
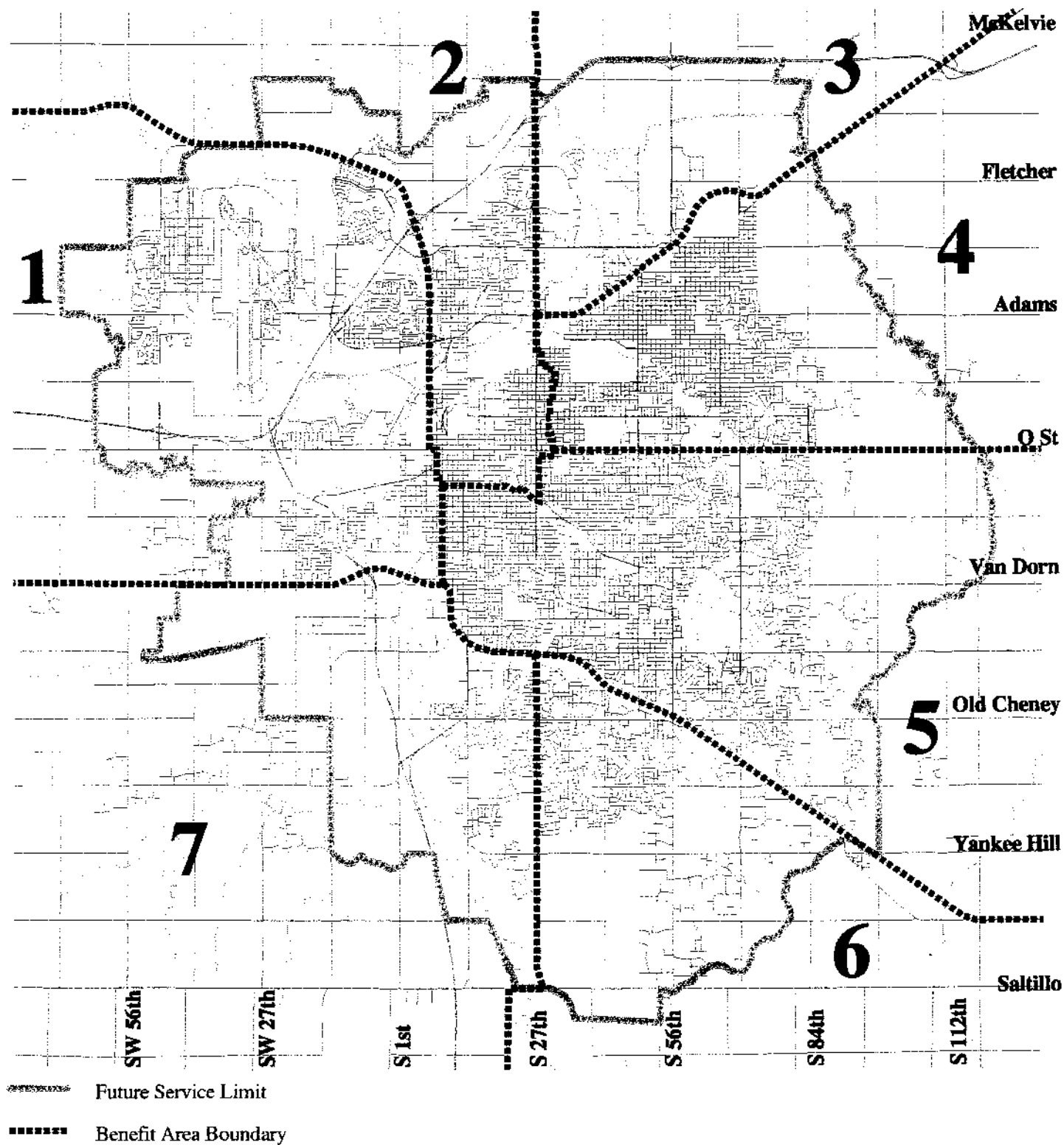
If you have any questions about the amendments, please contact:

Rick Peo, City Attorney's Office at 441-7264,
Stephen Henrichsen, Planning Department at 441-6374, or
Steve Masters, Public Works and Utilities at 441-7588

ARTERIAL STREET IMPACT FEE BENEFIT AREAS MAP

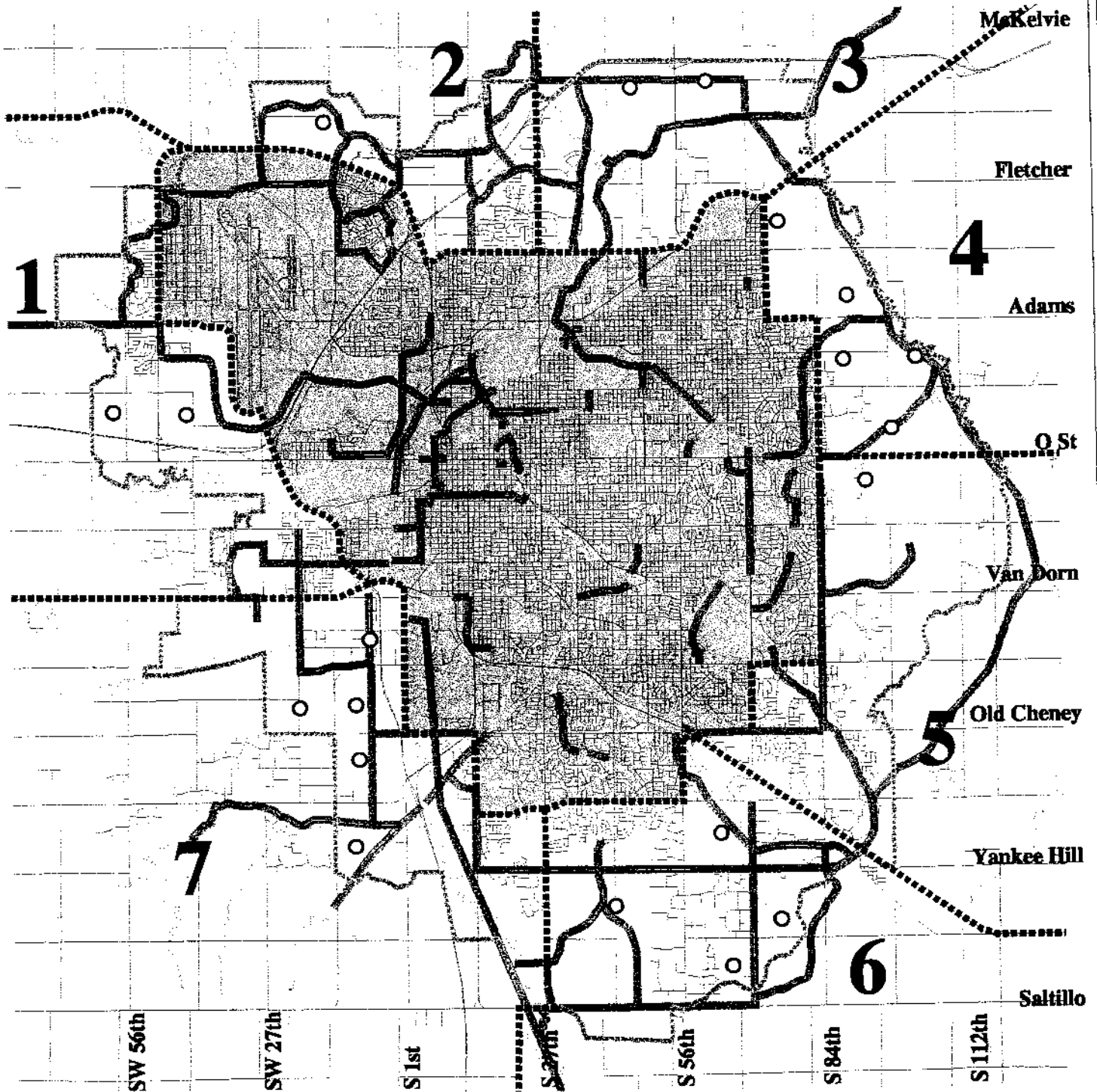


WATER DISTRIBUTION IMPACT FEE BENEFIT AREAS MAP



SCALE:
1 in = 11,500 Ft

NEIGHBORHOOD PARK & TRAIL IMPACT FEE BENEFIT AREAS MAP

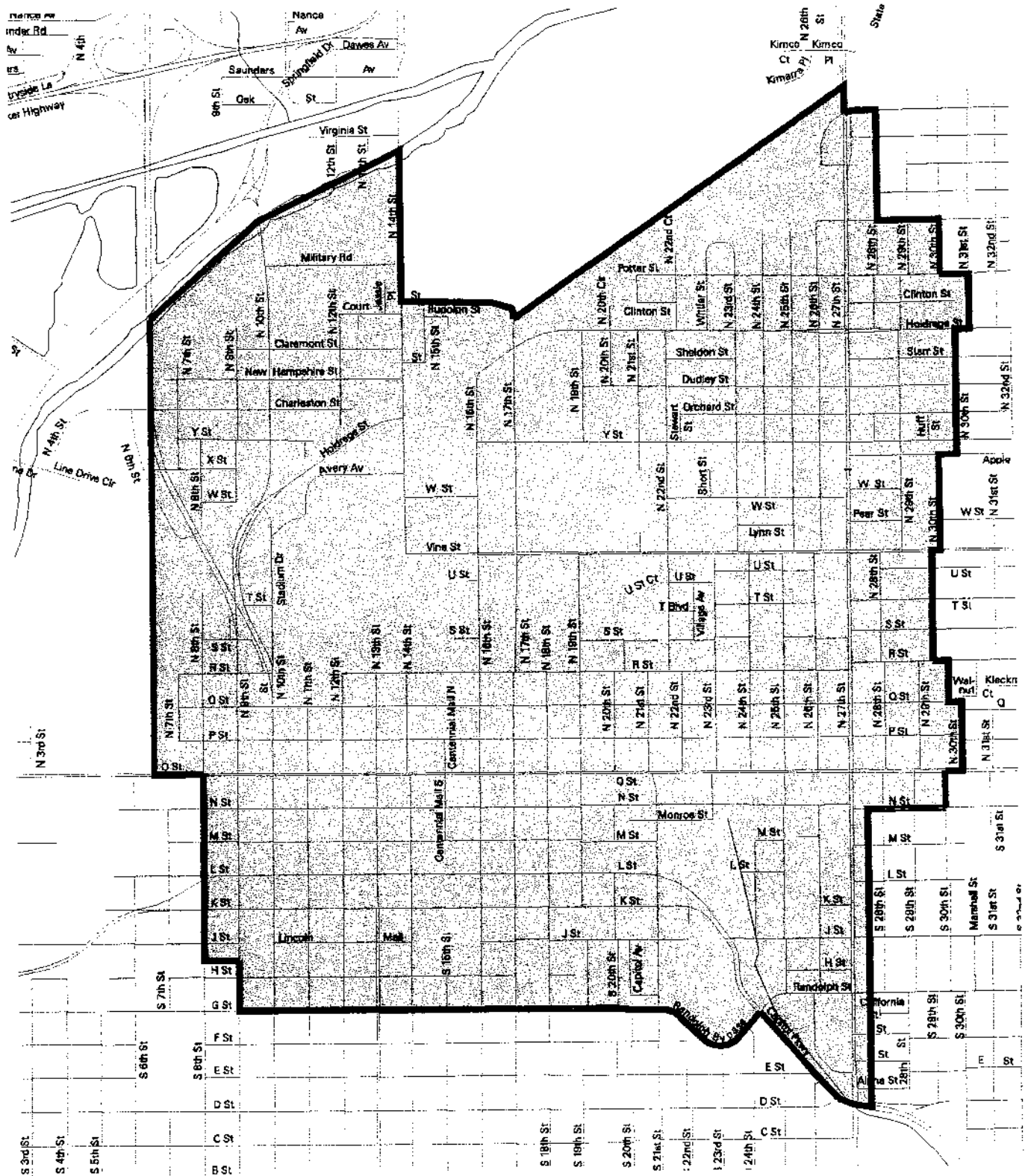


- Future Service Limit
- Benefit Area Boundary
- Existing Neighborhood Park & Trail Impact Fee Exclusion Area
- Future Trail
- Future Neighborhood Park



SCALE:
1 in = 11,500 Ft

DOWNTOWN / ANTELOPE VALLEY ARTERIAL STREET FEE EXCLUSION AREA MAP



October 8, 2002